Supreme Court, U. S.
FILED
APR 7 1980
K, JR., CLERK

IN THE

Supreme Court of the United States

October Term, 1979
No. 79-1368

CARLOS A. MOLLURA,

Petitioner,

vs.

CURTIS G. MILLER, CRAIG S. MILLER, and AMERICAN NATIONAL WATERMATTRESS CORP., a California corporation,

Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

BRIEF OF RESPONDENTS IN OPPOSITION— WITH OBJECTION TO JURISDICTION

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Opinion Below

The opinion of the Court of Appeals for the Ninth Circuit is reported at 609 F.2d 381, and is reproduced as the first appendix in the Petition.

Jurisdiction

As stated in the Petition (pp. 1, 2), the judgment in issue was entered on December 6, 1979. The Petition was required to be filed with the Supreme Court within 90 days after such entry. 28 U.S.C. §2101(c); Sup. Ct. R. 22(3).

Defendants* are advised by the Office of the Clerk of the Supreme Court that the Petition was filed in the Clerk's Office on March 6, 1980, which is 91 days after the entry of judgment, as computed in accordance with Sup. Ct. R. 34(1).

Accordingly, the Petition was untimely filed, and the Petition must be denied for want of jurisdiction. *Department of Banking v. Pink*, 317 U.S. 264, 268 (1942).

* * *

Defendants respectfully submit that the foregoing jurisdictional objection disposes of the Petition. Should the Court determine otherwise, defendants respectfully request that the Court deny certiorari for the other following reasons.

Question Presented

Did the Court of Appeals erroneously apply the *Graham* standards, as those standards have consistently and uniformly been applied by the Courts, in upholding the invalidity of plaintiff's patent for obviousness?

The Court of Appeals did not err.

Statutes Involved

The applicable statutes, 35 U.S.C. §103 (66 Stat. 798), and 35 U.S.C. §282 (66 Stat. 812, as amended, 79 Stat. 261 and 89 Stat. 692), are set forth in the Petition at page 4.

Statement of the Case

Plaintiff sued in the District Court claiming infringement of his patent for a certain water bag adapted to be used as

*For ease of reference, the parties are referred to in this brief according to their designations in the District Court, *i.e.*, Petitioner is "plaintiff", and Respondents are "defendants".

a waterbed mattress. Among other things, plaintiff expressly requested judgment as to the patent's validity. (R. 4).*

The subject of plaintiff's patent was the *structure* of the bag. At trial, the evidence showed that plaintiff's invention, if any, was his *method* of making the bag, *not* the structure.** In short, plaintiff's patent did not cover his purported invention, *i.e.*, the method of manufacture; rather, it covered something plaintiff did not invent, *i.e.*, the structure of the bag.

The District Court understood this, and under the *Graham* standards, correctly concluded that the patent was invalid for obviousness. (Tr. 136-37). The Court of Appeals also understood this in affirming the District Court, stating (609 F. 2d at 383; Pet., 1st App., at 4):

> "Although the district court judge refused to admit much of the plaintiff's evidence on the prior state of the art of *manufacture*, he admitted what little evidence was offered on the prior state of the art of the *product*, plastic bags. From this evidence, he concluded:
>
> 'But that you take a tube and you put two pieces on the end to contain water is no invention. And the fact that you do it by lap welds is no invention.'
>
> We agree with this conclusion. There is no inventive genius in putting water into a container that does not leak." (Emphasis in original.)

*References "(R. ....)" are to the Record on Appeal in the Court of Appeals.

**Plaintiff conceded at trial that he had no process patent infringement claim. (Tr. 9). References "(Tr. ....)" are to the Reporter's Transcript of the trial in the District Court, held November 8, 1977.

ARGUMENT

I.

There Are No Special and Important Reasons Warranting the Grant of Certiorari

Petitioner has not shown any special and important reasons warranting the grant of certiorari, and there are no such reasons. Sup. Ct. R. 19.

When stripped of plaintiff's exaggerations, this case is a simple one, as the Court of Appeals stated. 609 F.2d at 383 (Pet., 1st App., at 3).

This case is but one of many in which the federal courts have consistently and uniformly applied the standards of 35 U.S.C. §103, as interpreted by the Supreme court in *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966 and subsequently ruled upon by this Court in *Anderson's-Black Rock v. Pavement Co.*, 396 U.S. 57, 61-62 (1969) and *Sakraida v. Ag Pro, Inc.*, 425 U.S 273, 279-81 (1976). In accordance with the *Graham* mandate, the Courts of Appeals are scrutinizing the record in patent cases to assure that the District Courts are making the *Graham* inquiries and applying *Graham* standards. See *e.g.*, *Sidewinder Marine v. Starbuck Kustom Boats*, 597 F.2d 201, 209 (10th Cir. 1979); *Cathodic Protection Service v. American Smelting & Refining Co.*, 594 F.2d 499, 507 (5th Cir. 1979); *Nickola v. Peterson*, 580 F.2d 898, 912 (6th Cir. 1978) cert. den. 440 U.S. 961 (1979); *Trio Process Corporation v. L. Goldstein's Sons, Inc.*, 461 F.2d 66, 71 (3rd Cir. 1972); *Frantz Manufacturing Co. v. Phenix Manufacturing Co.*, 457 F.2d 314, 322-23 (7th Cir. 1972).

At bar, the Court of Appeals did likewise. 609 F.2d at 383 (Pet., 1st App., at 3-4).

The foregoing indicates that there is universal compliance with this Court's mandate for "strict observance" of the

Graham requirements, *Graham, supra* (383 U.S. at 18); *Anderson's-Black Rock, supra* (396 U.S. at 62), and adding the further requirement of explicit findings would not serve any useful purpose. Plaintiff's contention that some sort of ritualistic or formalistic *Graham* findings are required in these cases is simply wrong.

No court has ever held that explicit findings in precise *Graham* language is a requirement in determining patent validity. Indeed, in cases where that specific issue has arisen, plaintiff's contention has been rejected, and the Courts have uniformly ruled that no such explicit findings are necessary as long as *Graham* inquiries are made. *e.g.*, *Sidewinder Marine v. Starbuck Kustom Boats, supra* (597 F.2d at 209); *Trio Process Corporation v. L. Goldstein's Sons, Inc., supra* (461 F.2d at 71); *Frantz Manufacturing Co. v. Phenix Manufacturing Co. supra* (457 F.2d at 322-23).

One case, *Price v. Lake Sales Supply R.M.*, 510 F.2d 388, 391 (10th Cir. 1974) erroneously states that *Frantz, supra* (457 F.2d 314) did not discuss *Graham*—this is clearly wrong. (See 457 F.2d at 322-23).

Price also erroneously implies (see 510 F.2d at 391) that two Fifth Circuit cases, *Van Gorp Manufacturing v. Townley Industrial Plastics*, 464 F.2d 16, 19 (5th Cir. 1972) and *Waldon, Inc. v. Alexander Manufacturing Co.*, 423 F.2d 91, 92 (5th Cir. 1970) require explicit *Graham* findings—this too is clearly wrong. *Van Gorp* and *Waldon* merely condemn a broad, conclusory analysis without supporting *Graham* inquires; those cases do *not* require explicit findings where appropriate *Graham* inquiries are made and properly utilized. The District Courts there had given conclusive weight to the statutory presumption of validity without considering the *Graham* factors (*Waldon*, 423 F.2d at 93) or

made incorrect conclusions based on *Graham* inquiries (*Van Gorp*, 464 F.2d at 20, 21). Significantly, in a subsequent Fifth Circuit case, *Cathodic Protection Service v. American Smelting & Refining Co., supra* (594 F.2d 499), the Fifth Circuit specifically found certain of the District Court's comments to be equivalent to a *Graham* finding without any explicit verbalization of same (594 F.2d at 507).

As this Court noted in *Graham*, at 383 U.S. 17 (albeit perhaps in a different context):

> ". . . the §103 additional condition, when followed *realistically*, will permit a more *practical* test of patentability. *The emphasis on nonobviousness is one of inquiry*, not quality. . . ." (Emphasis supplied.)

II.

The Decisions Below Are Correct

Plaintiff's purported criticism of the decisions below is without merit.

At bar, the record is replete with evidence of sufficient *Graham* inquiries, *e.g.*, Tr. 33-34; 115-16; 118-19; 127-28; Plaintiff's Exs. 23 and 24; Defendants' Ex. D.

Moreover, the primary reason there are not more *Graham* inquiries is that plaintiff's own witness, under examination by the District Court, conceded that plaintiff's bag was similar to a structure in a prior patent, and that the only difference was plaintiff's method of manufacture. (Tr. 126-27). This crucial concession in and of itself virtually decimated plaintiff's patent; it was not necessary for defendants to present their case-in-chief.

In short, as the Court of Appeals found, the District Court's consideration of the *Graham* factors and its ultimate conclusion based thereon are amply supported by the record.

Plaintiff's contention that the presumption of patent validity was somehow abused here is likewise without merit. It is well-settled, and plaintiff apparently concedes (Pet. at 9), that the presumption is not conclusive. Further, where relevant prior art is not submitted to the Patent Office, the presumption is weakened and possibly even destroyed. *E.g.*, *Aluminum Co. of America v. Amerola Products Corporation*, 552 F.2d 1020, 1024 (3rd Cir. 1977); *Hewlett-Packard Co. v. Tel-Design, Inc.*, 460 F.2d 625, 628 (9th Cir. 1972); *Waldon, Inc. v. Alexander Manufacturing Co., supra* (423 F.2d at 93).

At bar, defendants showed in the District Court that a relevant patent (Defendants' Ex. D) had not been submitted to the Patent Office. (Compare R. 6 and Tr. 118-19). Any presumption of validity was therefore properly discounted.

Conclusion.

Plaintiff's Petition for a Writ of Certiorari was not timely filed and should be denied for want of jurisdiction.

If the Court should determine that jurisdiction is present, then the Petition should be denied for the other reasons stated hereinabove.

Dated: April 4, 1980

Respectfully submitted,

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